



# NCPRD COMMUNITY CONVERSATIONS

## Questions & Answers, January 2019

During December 2018 and January 2019, the North Clackamas Parks and Recreation District (NCPRD) held four community conversations – two in Happy Valley and two in Milwaukie/Oak Grove – to talk with NCPRD residents about the status of Happy Valley’s attempt to withdraw from NCPRD. Residents had many excellent questions and comments, not all of which could be responded to within the limited time of the meetings.

Following are the questions/comments raised at the meetings, grouped by subject, and answers from NCPRD staff. Dollar amounts are rounded approximations. For more information, contact NCPRD at [info@ncprd.com](mailto:info@ncprd.com).

### Finances

#### ***Do we know how much money Happy Valley put into NCPRD?***

NCPRD has collected approximately \$28 million within the boundaries of Happy Valley since its annexation in 2006. That revenue has come from two sources:

- Property taxes: Approximately \$11.9 million (\$0.54 per \$1,000 of assessed value). Currently, the property tax revenue collected within the boundaries of Happy Valley is approximately \$1.5 million per year. Property tax revenue is used primarily for day-to-day operations, including park maintenance, recreation and sports programming, and social services for older adults. In most cases, property tax revenue is not used for new capital projects.
- System Development Charges (SDCs): Approximately \$16 million (collected in Happy Valley). SDCs are one-time fees assessed to developers to provide some of the costs of building public facilities to address the impact of growth.

#### ***How much revenue and expenditures go away if Happy Valley withdraws?***

- If Happy Valley were to withdraw, the District would lose approximately \$1.5 million in annual property tax revenue.
- District expenditures would have to be reduced by a similar amount. Since maintenance and programming resources are utilized throughout the entire district, the impact of these reductions would be felt District-wide, and would not be limited to the geographic area of Happy Valley.
- Happy Valley might also claim a portion of the District’s assets (such as equipment, parks, and facilities). The division of those assets would be resolved in the courts.

#### ***Since joining the district in 2006, how much of the money collected within Happy Valley has gone back to Happy Valley and where?***

- The \$11.9 million in property taxes collected in Happy Valley has gone toward the day-to-day operations of the District, including park maintenance, habitat enhancement, recreation and sports programming, and social services for older adults.
- Since 2007, NCPRD has paid approximately \$2.6 million to the City of Happy Valley as part of a contract for the City to maintain Happy Valley Park, Ashley Meadows Park and Southern Lites Park. The City was unable to meet maintenance standards, and NCPRD subsequently resumed

maintenance of Ashley Meadows and Southern Lites Parks. The City continues to maintain Happy Valley Park.

- A total of \$26.4 million has gone toward capital projects within and immediately surrounding Happy Valley. These projects include:
  - Hood View Park: \$18.7 million
  - Hidden Falls Nature Park: \$1.7 million
  - Mt. Talbert Nature Park: \$1.8 million
  - Village Green Park: \$402,800
  - Southern Lites Neighborhood Park: \$232,600
  - Summerfield Park: \$117,000
  - Ashley Meadows: \$505,500
  - Additional projects: \$2.9 million

***Will Happy Valley get a portion of SDC's? How is park property ownership going to change if Happy Valley leaves?***

SDCs must be spent in the zone in which they're collected. The division of district assets and SDCs collected in Happy Valley is the subject of current litigation, and will be resolved in court unless the parties reach a settlement.

***Can we see a year-to-year listing of taxes collected in/from Happy Valley and from the rest of NCPRD?***

A chart showing property tax dollars collected annually in each planning area can be found [here](#).

***What is the difference between a levy and a permanent rate?***

- A levy is a tax set by voters for a specific period of time that must be renewed if it is to continue.
- A permanent rate is a tax set by the voters that continues year after year, at the same rate, without having to be renewed.

## **NCPRD Stance on Happy Valley Potential Withdrawal**

***When the City decided to withdraw from the District in 2016, NCPRD said they wanted to work with the city. What's changed? Why does NCPRD oppose the withdrawal of HV?***

NCPRD believes that Happy Valley's exit would not be a net benefit to residents of the District. Even so, it has not been NCPRD's or the County's intention to stand in the way of the City if it wishes to leave the District. However, any withdrawal from NCPRD must follow the correct legal process. What has changed since 2016 is that the Oregon Department of Revenue and the Clackamas County Circuit Court have both found that the city did not properly follow the law in withdrawing from NCPRD.

***Did Clackamas County originally want to work with Happy Valley?***

NCPRD and the County made many efforts to work with the City to reach a fair and equitable agreement, including the division of assets. Unfortunately, the parties were not able to reach agreement.

***Did Happy Valley win a lawsuit about NCPRD not using SDCs in the right place?***

The latest court ruling, from January 2019, is that any determination about use of SDCs will have to be made at trial. NCPRD has not used any SDCs collected from Zone 3 (which includes Happy Valley) on capital projects outside of Zone 3.

***List the top three benefits and the top three drawbacks of Happy Valley withdrawing.***

NCPRD does not believe there are any benefits to Happy Valley residents or to NCPRD residents as a whole if Happy Valley withdraws from NCPRD.

NCPRD does believe there are significant drawbacks to Happy Valley residents being withdrawn from NCPRD, including:

- City residents would no longer have access to NCPRD programs and services at in-district rates, and would not be eligible for in-district priority registration periods.
- City residents would have reduced or no access to NCPRD programs and services, including swim lessons, nutrition services, and youth and adult sports and recreation programming.
- City residents would lose access to many of the benefits and shared regional assets of NCPRD's established parks and recreation facilities (such as the Aquatic Park), diverse programs, and experienced and knowledgeable staff

**Happy Valley Residents and NCPRD**

***How many Happy Valley residents currently use NCPRD services?***

From July 1, 2017 – June 30, 2018, there were approximately 16,600 participants from the 97086 zip code area (Happy Valley) in NCPRD aquatic, recreation and sports programs. These numbers only capture participants in programs requiring registration, and do not capture residents using parks, natural areas, or any other facility or service not requiring registration.

**Facilities/Programs**

**Aquatic Center**

***Who will build more aquatic facilities?***

NCPRD does not have plans to build additional aquatic facilities. We are not aware of any plans for aquatic facilities from the city or school district.

***Are there any plans for a major remodel of the North Clackamas Aquatic Park?***

No, there are no plans or funds identified for a major remodel, but improvements are made regularly. Recent upgrades include lobby and meeting room renovations, new exterior paint, new locker room flooring, improved shower heating efficiency, installation of LED bulbs and a new air conditioning unit.

***Do high schools pay for access to the swim center?***

Yes, local high schools pay to rent lap lanes at the North Clackamas Aquatic Park for their swim teams.

## **Community Center**

### ***What happened to the plans for a community center in Happy Valley?***

NCPRD's capital improvement plan (CIP), which extends to the year 2030, includes a community center in Happy Valley. Both Happy Valley and NCPRD agreed that construction of a community center "is conditioned upon the availability of adequate financial resources. The parties recognize that neither the City nor the District currently have capital funds available to commit to these Capital Projects at the initiation of the Agreement."

## **Hood View Park/Ball Fields**

### ***How much was the Hood View Park property sold for? How much profit was made? Were resources set aside for other projects?***

Hood View Park, including the playground addition, cost \$18.7 million to develop and was sold to the North Clackamas School District for property and cash valued at \$18.7 million including:

- Three former school properties:
  - Concord Elementary School, *Oak Grove*
  - Clackamas Elementary School, *unincorporated Clackamas east of I-205*
  - Wichita Elementary School, *Milwaukie*
- \$14.04 million in cash

NCPRD is using the \$14.04 million as follows:

- Approximately \$5 million to pay off remaining debt for Hood View Park (as required by the agreement with the school district).
- Approximately \$9 million is reserved for new NCPRD projects, including projects in Happy Valley.

### ***Who uses the Hood View Park ball fields?***

The ball fields are used by NCPRD residents of all ages -- children, adults and seniors. One field is kept open for general public use at both Hood View Park and North Clackamas Park (in season) when not programmed by the schools. When the fields are not in use, they are available to be rented to resident and non-resident groups. For programming and rentals, fields are used by the following groups:

- NCPRD youth programming, including summer camps and softball tournaments
- NCPRD adult softball leagues and tournaments
- Senior leagues
- North Clackamas School District

### ***Is it NCPRD's position that Hood View Park, after being sold to the school district, counts as the NCPRD Park promised to Happy Valley? If Happy Valley stays in the district, will that still count as our community park?***

When Happy Valley joined the district, the city identified "A community park in the Rock Creek area of 20 to 30 acres to include athletic fields" as the community's top priority. NCPRD built exactly what was specified – a community park with state-of-the-art ballfields, a playground and walking paths in the Rock Creek area.

NCPRD subsequently sold Hood View Park to the school district to free up capital funds that can be put toward future projects in NCPRD and Happy Valley. Hood View Park remains a publicly-owned, NCPRD-managed community asset.

***When will Rock Creek Middle School be completed and what will resident usage be after that?***

The school district is scheduled to convert Rock Creek Middle School to a high school in 2020-21. NCPRD will continue current use, programs and facility maintenance at Hood View Park until Jan. 31, 2021. After that, depending on programming needs, NCPRD will request and coordinate use of the fields with the school district through our ongoing cooperative agreement that allows for NCPRD's continued programming and use of school facilities during non-school hours.

***Now that Hood View Park has been transferred to the school district, what will happen if Happy Valley leaves? Will Happy Valley residents still have access?***

Yes, Happy Valley students that attend the new high school will still have access to the sports fields, as will the general public during non-school hours.

***What is the plan to replace softball fields at Hood View? Where will adults and seniors play softball?***

If Happy Valley stays in NCPRD, residents will continue to have access to Hood View Park during non-school hours. NCPRD is also exploring other potential sites to develop new sports fields and the possible use of other NCPRD sports fields.

## **Meals on Wheels**

***Will residents in Happy Valley lose services from Milwaukie Center, like Meals on Wheels, if the city withdraws?***

Yes, NCPRD-provided services such as Meals on Wheels would not be available to city residents if the city withdraws.

## **Parks**

***Are all parks built in Happy Valley funded by NCPRD or by Happy Valley?***

NCPRD has funded the development of eight parks in Happy Valley, including Hood View Park and the nearly-completed Hidden Falls Nature Park. In addition, there were also parks in Happy Valley before the City joined NCPRD, some of which NCPRD built before those unincorporated areas were annexed into the City.

NCPRD owns, maintains, or operates the following parks in and adjacent to Happy Valley:

- NCPRD built, owns and maintains Ashley Meadows, Southern Lites, Village Green, Ella V Osterman and the Rose Creek Trail.
- NCPRD partnered with Metro to develop Mt. Talbert Nature Park.
- NCPRD built, maintains and operates Hood View Park, which is now owned by the North Clackamas School district.
- NCPRD built, owns and maintains the following parks adjacent to Happy Valley: Sieben, Pioneer, Altamont, Pfeifer and Summer Field.

- NCPRD owns and maintains Hidden Falls Nature Park, which is expected to be completed in spring 2019.

***Has there been an assessment of meeting the needs of a growing population in this area?***

NCPRD's master planning processes have included population and growth projections and needs assessments for all areas in the District, including Happy Valley.

***Why is only one of the upcoming/current projects in Happy Valley?***

NCPRD started planning for the development of the Scott Creek Trail, but following the city's withdrawal attempt the project was put on hold.

Hidden Falls Nature Park was in development when Happy Valley decided to withdraw from NCPRD. Even though the City had decided to withdraw, NCPRD kept moving the project forward and expects to complete the park by spring 2019.

The remaining projects in the Intergovernmental Agreement (IGA) and Capital Improvement Plan (CIP) are slated to be completed by 2030.

***Are new parks planned in Happy Valley?***

Yes, there are seven new parks and trails planned as part of the CIP, all to be completed by 2030.

## **Litigation**

***Where is there a good source of information regarding the history of this current situation?***

More information on the history of this issue, including a timeline of events, is at [clackamas.us/ncprd/hv](http://clackamas.us/ncprd/hv)

***Did Happy Valley follow the right statute for withdrawing from the NCPRD?***

No. In June 2018, the Oregon Department of Revenue determined that the city did not follow correct state law in withdrawing from the NCPRD, and in December 2018 a Clackamas County Circuit Court Judge ruled that Happy Valley relied on the wrong law in its attempt to withdraw from NCPRD.

***What did the operating agreement between Happy Valley and NCPRD include?***

When Happy Valley annexed into NCPRD in 2006, an intergovernmental agreement (IGA) and long-term Capital Improvement Plan (CIP) were developed, which prioritized four projects to be completed through 2030, depending on when and if capital funding became available. Those projects were Hood View Park, Mt. Scott Creek Trail, new all-weather turf fields at a mutually agreeable location and a community center. The CIP assumed that two general obligation (voter approved) bonds would be necessary to fund several of the projects, including a community center. NCPRD developed the City's top priority at the time – the 36-acre Hood View Park. Since the agreement was to go through 2030, NCPRD was on track to fulfilling the agreement and had every intention in doing so within the mutually agreed-upon timeframe.

***Has NCPRD fulfilled its agreement with the City?***

The 2006 Intergovernmental Agreement (IGA) runs through 2030, and included four top-priority projects. Within 3 years of signing the agreement, NCPRD had completed the top-priority project (Hood View Park). The remaining projects (Mt. Scott Creek Trail, all-weather turf fields at a mutually agreeable location and a community center) were all slated to be completed by 2030, as called for in the IGA.

***Happy Valley residents are paying the tax rate to the city and NCPRD is providing services without receiving any of those funds – who rectifies that in the end?***

Happy Valley residents are paying property taxes directly to Happy Valley, following a levy passed by voters under the assumption the city had withdrawn from the District. However, because Happy Valley is still in NCPRD, we have continued to provide parks and recreation services despite receiving no property taxes from city residents in the 2018-2019 fiscal year.

***What would it take to withdraw from the lawsuit and have a conversation with the residents? Has there been any mediation on working toward resolution? Have other options been explored?***

There have been many attempts to reach a settlement and a fair and equitable division of assets. Many options for resolving the dispute have been explored. Because litigation is continuing, we are not free to discuss details.

***How much in legal fees has NCPRD paid to defend the Happy Valley lawsuit and contest the city's withdrawal?***

To date, NCPRD has spent \$80,500 on legal fees.

## **NCPRD -- General**

***What's the history of NCPRD? Are there other similar districts that the county manages?***

Voters approved the formation of NCPRD in 1990 to provide higher levels of parks and recreation services in the urbanized north end of the county. Following a grassroots effort, voters approved the establishment of NCPRD with a permanent tax rate of approximately \$.54 per every \$1,000 of assessed value that would be set aside for parks and recreation services in the community. In 2006, residents of the City of Happy Valley voted to join NCPRD.

There are a number of other special service districts in the county, including Clackamas County Service District #1 (Water Environment Services), Clackamas County Service District #5 (Street Lighting) and an Enhanced Law Enforcement District.

***Where is the Master Plan and Capital Improvement Plan located online?***

- NCPRD Master Plan: [ncprd.com/planning/master-plan](https://ncprd.com/planning/master-plan)
- NCPRD Capital Improvement Plan: [ncprd.com/capital-improvement-plan-2007](https://ncprd.com/capital-improvement-plan-2007)

***When was a Title IX audit done of NCPRD?***

Title IX audits are only applicable to educational programs that receive federal aid. NCPRD, as a division of Business and Community Services within Clackamas County, is committed to and required to comply with all County policies and initiatives for equity, diversity and inclusion.

## Next Steps

***If ORS 198 is the way forward for Happy Valley withdrawing, what are those next steps?***

A withdrawal petition in proper form must be presented by electors from the area to be withdrawn to the Board of County Commissioners (BCC) for consideration under ORS 198.

***Will there be a way to vote on withdrawal?***

If enough District residents petition to withdraw Happy Valley from NCPRD through ORS 198, there could be a District-wide vote.

***If Happy Valley withdraws from NCPRD, what happens to unincorporated Clackamas County around the city? If those areas were annexed into the City, would they be removed from NCPRD?***

If Happy Valley withdrew from NCPRD, the unincorporated area around the city remains in the District. However, as the City annexes unincorporated area around the City, those residents would be withdrawn from NCPRD and receive their parks services from the city.

## Happy Valley Actions

*(NOTE: The following questions were asked about actions and positions of the City of Happy Valley. NCPRD cannot speak for the city, so the questions are not answered here.)*

- ***What prompted Happy Valley to want to pull out? Did they just want money for themselves? Did they realize they'd have to duplicate a lot of things? How did they sell it to the voters?***
- ***Why can City Council vote to withdraw if residents voted to join NCPRD?***
- ***How will Happy Valley manage what NCPRD has been managing?***
- ***From both Happy Valley and NCPRD, I'd like to see the top three benefits and the top three drawbacks of Happy Valley withdrawing.***
- ***What are the benefits and costs to HV in leaving or staying? Resident wants to hear it all.***
- ***Why does the committee (HV City Council) vote to withdraw? Why not the residents?***
- ***Why doesn't the vote go to residents?***
- ***How can Happy Valley take away a decision made by the voters?***